



C O N S U L T I N G

GVNW CONSULTING, INC.  
3220 Pleasant Run  
Springfield, IL 62707  
(217) 698-2700 (Tel.)  
(217) 698-2715 (Fax)  
[www.gvnw.com](http://www.gvnw.com)

REDACTED – FOR PUBLIC INSPECTION

Via ECFS

June 27, 2014

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
445 Twelfth Street S.W.  
Washington, D.C. 20554

**RE: FCC FORM 481 – CARRIER ANNUAL REPORTING DATA COLLECTION  
CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE  
ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-  
92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL  
COMMUNICATIONS COMMISSION (FILED IN DOCKETS 14-58) AND  
CONFIDENTIAL FINANCIAL INFORMATION FILED PURSUANT TO SECTIONS  
.457 AND .459 OF THE FEDERAL COMMUNICATIONS COMMISSION RULES**

Dear Ms. Dortch,

Hamilton County Telephone Co-op hereby submits the attached redacted and confidential versions of its “FCC Form 481 – Carrier Annual Reporting Data Collection” financial information pursuant to sections §54.313 and §54.422 of the Commission’s rules, as filed with the Universal Service Administrative Company.

Section 3005 of Form 481 requires the filing of financial information per 47 C.F.R. §54.313(f)(2). Company maintains that this information is “Confidential Financial Information” on the grounds that it is competitively sensitive information which could be used to disadvantage or harm Company and is submitting this information pursuant to Protective Order, DA 12-1857 as described below. In addition, Company is requesting confidential treatment pursuant to sections 0.457 and 0.459 of the Commission’s rules for the Five-Year Service Quality Improvement Plan that is required by section 54.313(a)(1) to be attached to this report. Similar to the financial information submitted under section 54.313(f)(2), the information contained in the Five-Year Service Quality Improvement Plan contains competitively sensitive information, including but not limited to projected build-out plans and capital expenditures, that is secure from public access that could be used by a competitor to disadvantage or harm the Company.

First, Hamilton County Telephone Co-op is submitting the 54.313(f)(2) "Confidential Financial Information" as a "Stamped Confidential Document" with each page bearing the legend CONFIDENTIAL FINANCIAL INFORMATION - SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-0135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION and also submitting the .457 and .459 "Confidential Financial Information" as a "Stamped Confidential Document" with each page labeled "CONFIDENTIAL – NOT FOR PUBLIC INSPECTION". One copy of the "Stamped Confidential Document(s)" and accompanying cover letter are enclosed.

Second, Hamilton County Telephone Co-op is submitting the "Stamped Confidential Document(s)" as a "Redacted Confidential Document" where the "Confidential Financial Information" has been redacted. Two copies of the "Redacted Confidential Document(s)" and accompanying cover letter with each page labeled "REDACTED - FOR PUBLIC INSPECTION" are enclosed.

Finally, Hamilton County Telephone Co-op is submitting two copies of the "Stamped Confidential Document(s)" and accompanying cover letter to Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 Twelfth Street S.W., Room 5-A452, Washington, D.C. 20554.

FCC Form 481 was also filed prior to July 1st with the State Commission.

Please contact me with any questions you have on this filing.

Sincerely,

*/s/ Dave Beier*

Dave Beier  
Consulting Manager  
GVNW Consulting, Inc.  
(217) 698-2700  
[dbeier@gvnw.com](mailto:dbeier@gvnw.com)

Enclosures

**FCC Form 481 - Carrier Annual Reporting  
Data Collection Form**

 FCC Form 481  
 OMB Control No. 3060-0986/OMB Control No. 3060-0819  
 July 2013

<010> Study Area Code	341024
<015> Study Area Name	HAMILTON COUNTY TEL
<020> Program Year	2015
<030> Contact Name: Person USAC should contact with questions about this data	Dave Beier
<035> Contact Telephone Number: Number of the person identified in data line <030>	2178621936 ext.
<039> Contact Email Address: Email of the person identified in data line <030>	dbeier@gvnm.com

ANNUAL REPORTING FOR ALL CARRIERS		54.313 Completion Required	54.422 Completion Required
(check box when complete)			
<100> Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<200> Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<210> <input checked="" type="checkbox"/> <-- check box if no outages to report		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<300> Unfulfilled Service Requests (voice)	0	<input type="checkbox"/>	<input type="checkbox"/>
<310> Detail on Attempts (voice)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<320> Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<330> Detail on Attempts (broadband)	<div style="border: 1px solid black; height: 40px; width: 100%;"></div> (attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<400> Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<410> Fixed	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<420> Mobile	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<430> Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<440> Fixed	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<450> Mobile	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<500> Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<510> <div style="border: 1px solid black; padding: 2px;">341024IL510.pdf</div>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<600> Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<610> <div style="border: 1px solid black; padding: 2px;">341024IL610.pdf</div>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<700> Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<710> Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<800> Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900> Tribal Land Offerings (Y/N)? <input type="radio"/> <input checked="" type="radio"/>	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000> Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1010> <div style="border: 1px solid black; padding: 2px;">341024IL1010.pdf</div>	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1100> Terrestrial Backhaul (Y/N)? <input checked="" type="radio"/> <input type="radio"/>	(if not, check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<1110>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<1200> Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet**

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>	(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>	(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>

**Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet**

<3000>	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>



**(100) Service Quality Improvement Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvaw.com
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
	If your answer to Line <110> is yes, do you have an existing §54.202(a) "5	
<111>	year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

341024IL112.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
- <114> Report how much universal service (USF) support was received
- <115> How (USF) was used to improve service quality
- <116> How (USF) was used to improve service coverage
- <117> How (USF) was used to improve service capacity
- <118> Provide an explanation of network improvement targets not met in the prior calendar year.


<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnm.com

[illegible]

(700) Price Offerings including Voice Rate Data  
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code 341024

<015>	Study Area Name	HAMILTON COUNTY TEL
-------	-----------------	---------------------

<020>	Program Year	2015
-------	--------------	------

<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
-------	---	------------

<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
-------	---	-----------------

<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnw.com
-------	---	-----------------

<701> Residential Local Service Charge Effective Date	1/1/2014
---	----------

<702> Single State-wide Residential Local Service Charge

1/1/2014

20.39

&lt;703&gt;

 $\langle a_1 \rangle$ 

<a2>

$\langle a_3 \rangle$

**<b1>**

<b2>

100

(b)(4)



57

[illegible]

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnm.com

-- See attached worksheet --



(800) Operating Companies	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnw.com
<810>	Reporting Carrier	Hamilton County Telephone Co-op
<811>	Holding Company	N/A
<812>	Operating Company	Hamilton County Telephone Co-op

[illegible]



**(900) Tribal Lands Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<b>&lt;010&gt;</b>	Study Area Code	341024
<b>&lt;015&gt;</b>	Study Area Name	HAMILTON COUNTY TEL
<b>&lt;020&gt;</b>	Program Year	2015
<b>&lt;030&gt;</b>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<b>&lt;035&gt;</b>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<b>&lt;039&gt;</b>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnm.com

**<910>** Tribal Land(s) on which ETC Serves

**<920>** Tribal Government Engagement Obligation

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- |                    |  |  |
|--------------------|--|--|
| <b>&lt;921&gt;</b> | Needs assessment and deployment planning with a focus on Tribal community anchor institutions. |  |
| <b>&lt;922&gt;</b> | Feasibility and sustainability planning;   |  |
| <b>&lt;923&gt;</b> | Marketing services in a culturally sensitive manner;   |  |
| <b>&lt;924&gt;</b> | Compliance with Rights of way processes  |  |
| <b>&lt;925&gt;</b> | Compliance with Land Use permitting requirements   |  |
| <b>&lt;926&gt;</b> | Compliance with Facilities Siting rules  |  |
| <b>&lt;927&gt;</b> | Compliance with Environmental Review processes   |  |
| <b>&lt;928&gt;</b> | Compliance with Cultural Preservation review processes   |  |
| <b>&lt;929&gt;</b> | Compliance with Tribal Business and Licensing requirements.                                    |  |

Select (Yes, No, NA)

**(1100) No Terrestrial Backhaul Reporting  
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvwn.com

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

**(1200) Terms and Condition for Lifeline Customers****Lifeline****Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvwn.com

341024IL1210.pdf

&lt;1210&gt; Terms &amp; Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

&lt;1220&gt; Link to Public Website

HTTP

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒



## (2000) Price Cap Carrier Additional Documentation

## Data Collection Form

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvw.com

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

## Incremental Connect America Phase I reporting

<2010>	2nd Year Certification {47 CFR § 54.313(b)(1)}	<input type="checkbox"/>
<2011>	3rd Year Certification {47 CFR § 54.313(b)(2)}	<input type="checkbox"/>

## Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}

<2012>	2013 Frozen Support Certification	<input type="checkbox"/>
<2013>	2014 Frozen Support Certification	<input type="checkbox"/>
<2014>	2015 Frozen Support Certification	<input type="checkbox"/>
<2015>	2016 and future Frozen Support Certification	<input type="checkbox"/>

## Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}

<2016>	Certification Support Used to Build Broadband	<input type="checkbox"/>
--------	---	--------------------------

## Connect America Phase II Reporting {47 CFR § 54.313(e)}

<2017>	3rd year Broadband Service Certification	<input type="checkbox"/>
<2018>	5th year Broadband Service Certification	<input type="checkbox"/>
<2019>	Interim Progress Certification	<input type="checkbox"/>
<2020>	Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	<input type="checkbox"/>

<2021>	Interim Progress Community Anchor Institutions	
--------	--	--

Name of Attached Document Listing Required Information

## (3000) Rate Of Return Carrier Additional Documentation

FCC Form 481

## Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@crvww.com

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

- (3010) Progress Report on 5 Year Plan  
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

- (3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

☐

- (3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

- (3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))  
(3014) If yes, does your company file the RUS annual report

(Yes/No)

(Yes/No)

☒ ☒

Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

- (3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

☐

- (3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

- (3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required Information

- (3018) If the response is no on line 3014, Is your company audited?

(Yes/No)

☒ ☐

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

☒

- (3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☒

- (3021) Management letter issued by the independent certified public accountant that performed the company's financial audit.

☒

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers,

☐

- (3023) Underlying information subjected to a review by an independent certified public accountant

☐

- (3024) Underlying information subjected to an officer certification.

☐

- (3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

341024IL3026.pdf

- (3026) Attach the worksheet listing required information

Name of Attached Document Listing Required Information

Certification - Reporting Carrier Data Collection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--	--

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnr.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

<b>Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients</b>	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier:	
Signature of Authorized Officer:	Date
Printed name of Authorized Officer:	
Title or position of Authorized Officer:	
Telephone number of Authorized Officer:	
Study Area Code of Reporting Carrier:	Filing Due Date for this form:
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	



Certification - Agent/Carrier Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

<010> Study Area Code	341024
<015> Study Area Name	HAMILTON COUNTY TEL
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Dave Beier
<035> Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnw.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) <u>Dave Beier- GVNW</u> is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent:	Dave Beier- GVNW
Name of Reporting Carrier:	HAMILTON COUNTY TEL
Signature of Authorized Officer:	CERTIFIED ONLINE Date: 06/27/2014
Printed name of Authorized Officer:	Kevin Pyle
Title or position of Authorized Officer:	GM/EVP
Telephone number of Authorized Officer:	6187362211 ext.
Study Area Code of Reporting Carrier:	341024 Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier:	HAMILTON COUNTY TEL
Name of Authorized Agent or Employee of Agent:	Dave Beier
Signature of Authorized Agent or Employee of Agent:	CERTIFIED ONLINE Date: 06/27/2014
Printed name of Authorized Agent or Employee of Agent:	Dave Beier
Title or position of Authorized Agent or Employee of Agent:	Consulting Manager
Telephone number of Authorized Agent or Employee of Agent:	2178621936 ext.
Study Area Code of Reporting Carrier:	341024 Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

## Attachments

(700) Price Offerings including Voice Rate Data Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
---	--

OMB Control No. 3060-0986/OMB Control No. 3060-0819  
July 2013

<010>	Study Area Code	341024
<015>	Study Area Name	HAMILTON COUNTY TEL
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dbeier@gvnw.com

<701>	Residential Local Service Charge Effective Date	1/1/2014
<702>	Single State-wide Residential Local Service Charge	20.39

&lt;703&gt;

[illegible]



(710) Broadband Price Offerings  
Data Collection Form

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	341024
-------	-----------------	--------

<015>	Study Area Name	HAMILTON COUNTY TEL
-------	-----------------	---------------------

<020>	Program Year	2015
-------	--------------	------

<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
-------	---	------------

<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
-------	---	-----------------

<039> Contact Email Address - Email Address of person identified in data line <030> dbeier@gvnw.com

<711>

[illegible]

### Data Collection Form

ECC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	341024
-------	-----------------	--------

<015>	Study Area Name	HAMILTON COUNTY TEL
-------	-----------------	---------------------

<020>	Program Year	2015
-------	--------------	------

<030>	Contact Name - Person USAC should contact regarding this data	Dave Beier
-------	---	------------

<035>	Contact Telephone Number - Number of person identified in data line <030>	2178621936 ext.
-------	---	-----------------

<039> Contact Email Address - Email Address of person identified in data line <030> dbeier@gvnw.com

<810> Reporting Carrier Hamilton County Telephone Co-op

<811>	Holding Company	N/A
-------	-----------------	-----

<812>	Operating Company	Hamilton County Telephone Co-op
-------	-------------------	---------------------------------

<813>

<a1>

<a2>

<a3>

## Affiliates

SAC

### Doing Business As Company or Brand Designation

Hamilton County Communications, Inc.

Hamilton County Telephone Co-op (Hamilton)

SAC 341024

Illinois

FCC Form 481 – Line 510

Hamilton hereby certifies that it is complying with applicable federal and state service quality standards and consumer protection rules.

Description of Service Quality Standards and Consumer Protection Rules Compliance

- 1) Per Subpart A, Section 730.100 of Title 83, Chapter 1, Subchapter f of the Illinois Administrative Code, Hamilton is required to meet the service quality standards contained in Section 730. Subpart E of this section addresses “Standards of Quality of Service”. Subpart A, Section 730.115 requires the quarterly reporting of various installation, repair and answer time data for Illinois Commerce Commission and public review.
- 2) Hamilton complies with the requirements of 47 CFR Part 64 Subpart U, Customer Proprietary Network Information and Subpart Y, Truth in Billing Requirements for Common Carriers, and Federal Trade Commission Red Flag rules to prevent identity theft. A company manual for CPNI and Red Flags is in place, and employee training is conducted annually and new hires are instructed on the programs as required by their job functions.
- 3) The Company is subject to consumer protection obligations for broadband services under federal law. These obligations include, but are not limited to, the following: public disclosure of accurate information regarding network management practices, performance, and commercial terms of broadband internet access services; as a means of providing sufficient information for consumers to make informed choices regarding use of such services, and for content, application, service and device providers to develop, market, and maintain internet offerings as specified in F.C.C. 47 C.F.R. Part 8 §8.3.



Hamilton County Telephone Co-op (Hamilton)

SAC 341024

Illinois

FCC Form 481 – Line 610

Hamilton hereby certifies that it is able to function in emergency situations as set forth in the Code of Federal Regulations, Title 47, Part 54, Subpart C, §54.202(a)(2)1 and Subpart A, Section 730.325 of Title 83, Chapter 1, Subchapter f of the Illinois Administrative Code.

Description of Functionality in Emergency Situations

- 1) Hamilton has a disaster recovery/emergency plan in place per Subpart A, Section 730.325(a) of Title 83, Chapter 1, Subchapter f of the Illinois Administrative Code.
- 2) Hamilton has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations. The Company can change call routing translations as needed to reroute traffic around damaged facilities. Changing call routing translations will also allow the Company to manage traffic spikes throughout its network, as emergency situations require.
- 3) Specifically, in an emergency situation, each office is connected with an external generator that automatically engages in the event power is lost for a designated amount of seconds. The generators run on alternative fuels and are tested weekly to insure their ability to perform as needed in a power emergency. Each office is equipped with batteries that are capable of handling the load until such time as the generators engage. The central offices are also equipped with alarms that are sent to several employees and management during all hours. All alarms are verified and checked. In cabinet locations throughout all exchanges, power is provided from 4 different power sources, so as to never allow all cabinets to be down at one time, unless such act of God allows such a situation to occur. If so, we also have portable power generators, and we also have a backup relationship established with a neighboring cooperative, from which additional resources may be drawn. We have built automatic fail-safe redundancy in our network and systems and have several backup systems in place to reroute traffic, if necessary. We have designed two traffic paths out of our network to the public switched telephone network in order to aid in any failure or emergency.

Hamilton County Telephone Co-op (Hamilton)

SAC 341024

Illinois

FCC Form 481 – Line 1010 – Description of Voice Services Rate Comparability

As evidenced by the data provided in line 700 of this Form 481 (showing a \$20.39/mo local rate), Hamilton's voice service pricing is no more than 2 standard deviations above the national average urban rate (\$46.96) as announced by the Wireline Competition Bureau on March 20, 2014 (DA 14-384).

Hamilton County Telephone Co-op (Hamilton)

SAC 341024

Illinois

FCC Form 481 – Line 1210

Description of Lifeline Terms and Conditions

- 1) See below for Hamilton's terms and conditions for Lifeline customers.
- 2) All of Hamilton's Lifeline customers receive unlimited local calling minutes.
- 3) Hamilton provides toll calling equal access for all Lifeline customers to numerous interexchange carriers (IXCs). The rates, terms and conditions of their toll carrier offerings are made by the IXCs, not by Hamilton.

TELEPHONE ASSISTANCE PROGRAMS

15. Telephone Assistance Programs

15.1 Universal Telephone Service Assistance Program (UTSAP)

(T)

- A. A one-time credit of up to \$20.00, not to exceed 50% of the total connection charge, will be applied to each eligible subscriber or eligible new subscriber, as defined in A.1. below.

(I)

(C)

1. To qualify for the program, the applicant must participate in any of the following assistance programs, as required, to establish eligibility. The Illinois Department of Human Services will certify the applicant's participation in assistance programs (a) and (b) below for purposes of determining eligibility:

(T)

- a. Medicaid
- b. Supplemental Nutrition Assistance Program (SNAP) – formerly Food Stamps
- c. Supplemental Security Income (SSI)
- d. Federal Public Housing Assistance Program
- e. Low-Income Home Energy Assistance (LIHEAP)
- f. National School Lunch Program's Free Lunch Program
- g. Temporary Assistance for Needy Families (TANF)

2. The Cooperative's verification form signed by the applicant or verification with the Department of Human Services shall constitute proof of income eligibility.

(C)

3. Assistance shall be granted to one access line per low income household.

(T)

- B. The UTSAP Program is funded through voluntary contributions from Illinois customers as described in 15.2 following.

(T)



TELEPHONE ASSISTANCE PROGRAMS (Continued)

15. Telephone Assistance Programs (Continued)

15.2 Universal Telephone Supplemental Assistance Program (UTSAP) Voluntary Funding

A. Reserved for Future Use

(C)

(D)

(D)

B. Contributions

1. Members wishing to participate in the funding of UTSAP may do so by electing to contribute, on a monthly basis, a fixed amount to be included by the Cooperative on the Member's monthly bill. The voluntary contribution shall not reduce the Member's total monthly bill amount due the Cooperative for telephone services or other charges. One time or periodic contributions in excess of the amounts referred to below in a. and b. shall be made directly to the UTSAP Administrator.
  - a. Residential Members may elect to contribute \$.50, \$1.00, \$2.00 or \$5.00 per month.
  - b. Business Members may elect to contribute \$1.00, \$5.00, \$10.00 or \$25.00 per month.
2. Members may elect to discontinue or change the amount of monthly contribution on their bill at any time upon providing at least 30 days notice to the Company.
3. Failure by the Member in any month to remit the entire billed amount shall reduce the UTSAP contribution accordingly.

TELEPHONE ASSISTANCE PROGRAMS (Continued)

15. Telephone Assistance Programs (Continued)

15.3 Lifeline Telephone Assistance Program

(C)

- A. The Lifeline Program is a federally funded program established to provide monthly assistance to low income households. Eligible subscribers will receive a Federal Lifeline support credit of \$9.25.
- B. To qualify for the Lifeline Program the applicant's income, as defined in 47 CFR Section 54.400(f), must be at or below 135% of the Federal Poverty Guidelines. The applicant must provide documentation of income eligibility or participate in one of the following assistance programs:
  - 1. Medicaid
  - 2. Food Stamps
  - 3. Supplemental Security Income (SSI)
  - 4. Federal Housing Assistance
  - 5. Low Income Home Energy Assistance (LIHEAP)
  - 6. National School Lunch Program's free lunch program
  - 7. Temporary Assistance to Needy Families (TANF)
- C. The applicant must sign, under penalty of perjury a document certifying:
  - 1. That applicant meets one of the qualifications listed in 15.3(B)(2) above.
  - 2. Name of the program(s) from which applicant is receiving benefits.
  - 3. That applicant will notify the company within 30 days if he/she no longer participates in the program(s) named in 15.3(B)(2), preceding.
  - 4. Applicant will notify the company within 30 days if he/she moves to a new address.
  - 5. Applicants household is only receiving one Lifeline service.

(C)

TELEPHONE ASSISTANCE PROGRAMS (Continued)

15. Telephone Assistance Programs (Continued)

15.3 Lifeline Telephone Assistance Program (Cont'd)

(C)

- D. Lifeline service shall not be disconnected for non-payment of toll charges.
- E. Qualifying low-income subscribers who voluntarily elect toll blocking, where available, will not be required to pay a service deposit in order to initiate Lifeline Service. This service will only be provided at the customer's request.
- F. Qualifying Lifeline customers will not be charged a monthly number-portability charge.
- G. A Lifeline customer may only receive assistance from one wireline or one wireless provider per household.
- H. Customer Annual Responsibility

All Lifeline customers as of June 1, 2012 must certify with the Cooperative that they are still eligible for Lifeline support by December 31 each year. Customers may certify in person, over the phone or in writing. Customers will not be required to provide verifying documentation.

(C)

**REDACTED – NOT FOR PUBLIC INSPECTION**

**Hamilton County Telephone Co-op  
("Hamilton" or "Company")  
FIVE YEAR SERVICE QUALITY IMPROVEMENT PLAN  
Due July 1, 2014  
Study Area Code 34-1024**





## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Hamilton County Telephone Co-Op  
Dahlgreen, Illinois

We have compiled the accompanying balance sheets of Hamilton County Telephone Co-Op (an Illinois corporation) as of December 31, 2013 and 2012, and the related statements of income and retained earnings or margins for the years ended December 31, 2013 and 2012, and cash flows for the year ended December 31, 2013, included in the accompanying prescribed form. We have not audited or reviewed the financial statements included in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the form prescribed by the Federal Communications Commission (FCC).

Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by the FCC and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of the FCC, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the FCC, Universal Service Administrative Company and the relevant state and local regulatory agency and is not intended to be and should not be used by anyone other than these specified parties.

*Kiesling Associates LLC*

West Des Moines, Iowa  
June 23, 2014

REDACTED - FOR PUBLIC INSPECTION

[3005a] Operating Report for Privately-Held Rate of Return Carriers

Balance Sheet - Data Collection Form

Page 1 of 3

FCC Form 481

OMB Control No. 3060-0986

July 2013

<010> Study Area Code  
 <015> Study Area Name  
 <020> Program Year  
 <030> Contact Name - Person USAC should contact regarding this data  
 <035> Contact Telephone Number - Number of person identified in data line <030>  
 <039> Contact Telephone Email Address - Email Address of person identified in data line <030>  
☐ Filed as reviewed single company  
☐ Filed as reviewed consolidated company  
☐ Filed as subsidiary of reviewed consolidated company

<010> 341024  
 <015> Hamilton County Telephone  
 <020> 2015  
 <030> Kevin Pyle  
 <035> 612-736-2211  
 <039> kevinp@hamiltoncom.net  
☒ Filed as audited single company  
☐ Filed as audited consolidated company  
☐ Filed as subsidiary of audited consolidated company

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

Signature

Date

PART A. BALANCE SHEET

ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
1. Cash and Equivalents			25. Accounts Payable		
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable			28. Customer Deposits		
b. Other Accounts Receivable			29. Current Mat. L/T Debt		
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued		
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)		
6. Material-Regulated			<b>LONG-TERM DEBT</b>		
7. Material-Nonregulated			36. Funded Debt-RUS Notes		
8. Prepayments			37. Funded Debt-RTB Notes		
9. Other Current Assets			38. Funded Debt-FFB Notes		
10. Total Current Assets (1 thru 9)			39. Funded Debt-Other		
<b>NONCURRENT ASSETS</b>			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recquired Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt		
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)		
13. Nonregulated Investments			<b>OTHER LIAB. &amp; DEF. CREDITS</b>		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities		
15. Deferred Charges			48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)		
<b>PLANT, PROPERTY, AND EQUIPMENT</b>			<b>EQUITY</b>		
18. Telecom, Plant-in-Service			51. Cap. Stock Outstanding & Subscribed		
19. Property Held for Future Use			52. Additional Paid-in-Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation			55. Other Capital		
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits		
<b>24. TOTAL ASSETS (10+17+23)</b>			57. Retained Earnings or Margins		
			58. Total Equity (51 thru 57)		
			<b>59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)</b>		

REDACTED - FOR PUBLIC INSPECTION

(3005b) Operating Report for Privately-Held Rate of Return Carriers  
Balance Sheet - Data Collection Form  
Page 2 of 3

FCC Form 481  
OMB Control No. 3060-0986  
July 2013

<010> Study Area Code  
<015> Study Area Name  
<020> Program Year  
<030> Contact Name - Person USAC should contact regarding this data  
<035> Contact Telephone Number - Number of person identified in data line <030>  
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 341024  
<015> Hamilton County Telephone  
<020> 2015  
<030> Kevin Pyle  
<035> 618-736-2211  
<039> kevinp@hamiltoncom.net

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS		
ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues		
2. Network Access Services Revenues		
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues		
7. Net Operating Revenues (1 thru 5 less 6)		
8. Plant Specific Operations Expense		
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)		
10. Depreciation Expense		
11. Amortization Expense		
12. Customer Operations Expense		
13. Corporate Operations Expense		
14. Total Operating Expenses (8 thru 13)		
15. Operating Income or Margins (7 less 14)		
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes		
19. Other Taxes		
20. Total Operating Taxes (17+18+19)		
21. Net Operating Income or Margins (15+16-20)		
22. Interest on Funded Debt		
23. Interest Expense - Capital Leases		
24. Other Interest Expense		
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)		
27. Nonoperating Net Income		
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income		
31. Total Net Income or Margins (21+27+28+29-26)		
32. Total Taxes Based on Income		
33. Retained Earnings or Margins Beginning-of-Year		
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins end-of-Period [(31+33+34)-(35+36+37+38)]		
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)		
44. Annual Debt Service Payments		
45. Cash Ratio [(14+20-10-11)/7]		
46. Operating Accrual Ratio [(14+20-26)/7]		
47. TIER [(31+26)/26]		
48. DSCR [(31+26+10+11)/44]		



(3005c) Operating Report for Privately-Held Rate of Return Carriers  
Balance Sheet - Data Collection Form  
Page 3 of 3

FCC Form 481  
OMB Control No. 3060-0986  
July 2013

<010> Study Area Code  
<015> Study Area Name  
<020> Program Year  
<030> Contact Name - Person USAC should contact regarding this data  
<035> Contact Telephone Number - Number of person identified in data line <030>  
<039> Contact Telephone Email Address - Email Address of person identified in data line <030>

<010> 341024  
<015> Hamilton County Telephone  
<020> 2015  
<030> Kevin Pyle  
<035> 618-736-2211  
<039> kevinp@hamiltoncom.net

PART C. STATEMENTS OF CASH FLOWS	
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)
CASH FLOWS FROM OPERATING ACTIVITIES	
2.	Net Income
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities	
3.	Add: Depreciation
4.	Add: Amortization
5.	Other (Explain)
Changes in Operating Assets and Liabilities	
6.	Decrease/(Increase) in Accounts Receivable
7.	Decrease/(Increase) in Materials and Inventory
8.	Decrease/(Increase) in Prepayments and Deferred Charges
9.	Decrease/(Increase) in Other Current Assets
10.	Increase/(Decrease) in Accounts Payable
11.	Increase/(Decrease) in Advance Billings & Payments
12.	Increase/(Decrease) in Other Current Liabilities
13.	Net Cash Provided/(Used) by Operations
CASH FLOWS FROM FINANCING ACTIVITIES	
14.	Decrease/(Increase) in Notes Receivable
15.	Increase/(Decrease) in Notes Payable
16.	Increase/(Decrease) in Customer Deposits
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital
20.	Less: Payment of Dividends
21.	Less: Patronage Capital Credits Retired
22.	Other (Explain)
23.	Net Cash Provided/(Used) by Financing Activities
CASH FLOWS FROM INVESTING ACTIVITIES	
24.	Net Capital Expenditures (Property, Plant & Equipment)
25.	Other Long-Term Investments
26.	Other Noncurrent Assets & Jurisdictional Differences
27.	Other (Explain)
28.	Net Cash Provided/(Used) by Investing Activities
29.	Net Increase/(Decrease) in Cash
30.	Ending Cash





To the Board of Directors  
Hamilton County Telephone Co-Op and Subsidiaries  
Dahlgren, Illinois

We have audited the consolidated financial statements of Hamilton County Telephone Co-Op and subsidiaries, as of and for the year ended December 31, 2013, and have issued our report thereon dated March 18, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our engagement letter dated August 27, 2013. Professional standards also require that we communicate to you the following information related to our audit.

### **Significant Audit Findings**

#### Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies.

The significant accounting policies of the Company are described in footnotes to the consolidated financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended December 31, 2013. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the consolidated financial statements in the proper period.

Accounting estimates are an integral part of the consolidated financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the consolidated financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The only sensitive accounting estimates included in the consolidated financial statements for the year ended December 31, 2013, relate to the estimates for depreciation. As part of our audit, we compared the Company's depreciation rates to average rates used within the telecommunications industry. We have also discussed with management the Company's long-range plant replacement plans and have determined the current depreciation rates to be consistent with those plans.

Management's estimate of the percent complete of construction contracts is based on the percentage of cost incurred through the year ended December 31, 2013 to estimated total cost for each contract. We evaluated the key factors and assumptions used to develop the percent complete of construction contracts in determining that it is reasonable in relation to the consolidated financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent and clear.

To the Board of Directors  
Hamilton County Telephone Co-Op and Subsidiaries  
Page 2

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the consolidated financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 18, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Company's consolidated financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditor. However, these communications occurred in the normal course of our professional relationship and to our knowledge our responses were not a condition to our retention.

This letter is intended solely for the information and use of the board of directors, management of the Company, the Federal Communications Commission (FCC), Universal Service Administrative Company (USAC), and the relevant state and local regulatory agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Kresling Associates LLP*

West Des Moines, Iowa  
March 18, 2014